

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

March 3, 2003

RESPONSIBLE STAFF:

Louise Kauffmann, Grants
Administrator

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
X	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item
is a public hearing)

Introduced	2/03/03
Advertised	1/29/03
Hearing Held	2/03/03
Record Held Open	3/10/03
Policy Discussion	3/17/03

TITLE:

Hearing to Solicit Proposals for the Expenditure of FY04
Community Development Block Grant Funds

SUPPORTING BACKGROUND:

On February 3, 2003, the City introduced Gaithersburg's receipt of Community Development Block Grant funds as a direct grantee of the U.S. Department of Housing and Urban Development. Pending approval of the City's Consolidated Plan, the City's grantee status will be effective July 1, 2003.

Federal funds under this program support national objectives that include decent housing, a suitable living environment and expanded economic opportunities, principally for low-moderate income persons.

The City's Consolidated Plan is due to HUD on May 15. This document must include proposed projects the City will undertake in FY04. Following tonight's presentation and review by staff, recommendations for funding will be presented to Mayor and Council on March 17. After a thirty-day public review period, the draft Consolidated Plan will be presented to Mayor and Council for final approval on May 5, 2003.

Upon execution of the grant agreement, the City's formula share of CDBG funds is estimated to be \$407,000. Twenty percent (\$81,400) will be used for administration and planning, and 15 percent (\$61,050) for public services. The balance (\$264,550) will be used for eligible capital projects. Capital projects may include either City projects or for projects within the City carried out by sub-grantees.

DESIRED OUTCOME:

Hear testimony of potential applicants for FY04 CDBG funds and record will be closed March 10, 2003